

# **EXHIBIT 11**



FEBRUARY 13, 2020

Kathryn V. Marinello, CEO  
THE HERTZ CORPORATION  
8501 Williams Rd.  
Estero, FL 33928  
E: [kymarinello@hertz.com](mailto:kymarinello@hertz.com)

Jay L. Edelstein, Esquire  
EDELSTEIN LAW, LLP  
230 South Broad Street | Suite 900  
Philadelphia, PA 19102  
T: (215) 893-9311  
E: [JEdelstein@Edelsteinlaw.com](mailto:JEdelstein@Edelsteinlaw.com)

**Re: WIDESPREAD FALSE POLICE REPORTS BY HERTZ**

Dear Ms. Marinello and Counsel:

For several years now I have been warning Hertz—after winning a jury trial against it in 2017 for malicious prosecution, and settling two other cases—that the company has been systematically filing false police reports against innocent customers across the nation. The problem is now a major public safety crisis. I have attached demands from **23 clients** victimized by Hertz. The falsely accused come from all walks of life, but are **overwhelmingly** blacks and minorities. The signal this sends to your customers, and the public, is that you don't think Black Lives Matter.

I know, and you know, that Hertz's computer systems are—**obviously**—broken and outdated. The company can't keep track of inventory, doesn't know when rentals are extended or returned, can't account for payments, and isn't doing the local investigations mandated in its theft reporting standard operating procedure W7-02(A)(17). Compounding matters, the locations, OKC, and corporate security have no idea what each other are doing. In some cases, Hertz bizarrely rents cars to customers that Hertz reported stolen **before** the rental began.

Given the number of people who have approached me, six months ago I submitted to your company a list of clients detailing how they had been wrongfully detained, jailed, and prosecuted. These customers had paid, extended, and even returned their rentals. Since then, more customers have come forward.

As I previously shared, some were still in jail and others were locked in criminal cases—all of them terrified by what was happening. I pleaded with you to act quickly, not only for their and their families' sake, but also so that other customers would not have their lives destroyed.

Instead of taking this alarming problem seriously, their complaints were treated as a low-level concern. Hertz falsely told the public these cases were "rare." Those in jail remained in jail. The others have had to cope with what happened, some of them now homeless. Hertz's broken systems have remained broken, and the false reports have continued. In short, the alacrity Hertz showed in addressing wronged customers following the 2017 verdict has demonstrably waned.

My clients are tired of having their polite entreaties fall on deaf ears. They are making one last plea, on video, for someone within Hertz to do the right thing: <https://bit.ly/37mvaZ1>. I have enclosed with this letter a draft complaint for Nicole Stevens, which will be filed before the end of the month.

PAGE 2 OF 25

If you think you can continue to ignore this problem, you have made a grave miscalculation. I routinely handle large, complicated cases, and have tried them to verdict throughout the country—11 years undefeated in jury trials. I regularly post some of the largest verdicts and settlements in the country, including recently winning a \$44.35 million verdict and judgment where the jury returned a \$20.25 million punitive damages award (this was a top 100 verdict in the US). Not only do I know how to win these cases against Hertz—because I already have—but I have the resources to litigate every case to verdict.

In the prior case I tried against Hertz, I established that Hertz will be found liable for punitive damages given its conduct. The corporation has known about these problems for many years and yet continues to file false police reports, routinely violating its very own standard operating procedures. No jury will turn a blind-eye to a corporation which decided that cutting costs to increase profits was acceptable—especially when it is being done with reckless indifference to the human lives Hertz is harming. A company worth \$2.5 billion that generates \$10 billion in revenue cannot afford serial punitive damages verdicts against its reputation and goodwill.

That said, my goal is to come to an amicable resolution so we can fairly compensate my clients and protect your customers. Nothing that my clients are requesting is unreasonable. For peace to be brokered we need to address the following: (1) the points in the attached Addendum to ensure the safety of Hertz's customers, and (2) how to justly address my clients' injuries. I need a written response by Tuesday, February 18<sup>th</sup> and an in-person meeting with Hertz's corporate officers no later than Monday, February 24, 2020.

If Hertz does not timely address these issues which have been plaguing the company, then my firm will be forced to start filing the lawsuits through local counsel. Please ensure that all data and records concerning these customers are preserved.

Note that because some of the demands exceed Hertz's self-insured limit of \$10 million per occurrence, you should notify your excess coverage insurer. Moreover, to the extent that Hertz's insurance does not cover those alleged to be individually liable, you should notify those officers and employees to immediately retain personal counsel.

Kathryn, tell me how we fix this; tell me how we make this right. The time has come to bridge our division and make sure that more customers do not have their lives destroyed.

Your move.

With every good wish, I am,



Francis Malofiy, Esquire

Cc: M. David Galainena, Esquire - *Exec. Vice President, General Counsel*  
 Richard McEvily, Esquire - *Senior Vice President, Deputy General Counsel*  
 Clark Dubin - *Vice President, Risk Management & Claims*  
 Christopher P. Morales - *Director, Technical Claims*

Encl: ADDENDUM I Points of Discussion for Proposed Meeting  
 ADDENDUM II Hertz Victims  
 ADDENDUM III News Coverage of Hertz Victims and Conduct  
 Video Hertz Victim Video No. 1 - <https://bit.ly/37mvaZ1>  
 Complaint Proposed Nicole Stevens Complaint

ADDENDUM I

POINTS OF DISCUSSION:

PROPOSED MEETING WITH THE  
CORPORATE OFFICERS OF HERTZ

- Hertz will review cases which I present and assign a dollar value within 30 days.
- Hertz will review cases which I present on an expedited basis where the client is still being prosecuted or is incarcerated, with next steps identified (e.g., recantation or withdrawal).
- Hertz will enter into tolling agreements where the statute of limitations is approaching on cases in the process of being resolved.
- During the theft reporting process, Hertz will take into consideration whether Hertz's dispute with the customer is truly criminal or civil in nature.
- Hertz will update its tracking and rental systems so that rental extensions and payments are communicated to all areas of the company, including location, OKC, and corporate security.
- Hertz will fully comply with its theft reporting policy W7-02 RAC(A)(17), which mandates an independent investigation by the corporate security manager at the location level to safeguard against inaccurate reports.
- Hertz will stop reporting customers to the police for theft *before* Hertz has charged the customers' cards. Hertz policy W7-02 RAC (D) will accordingly be revised.
- Hertz will take steps to ensure compliance with W7-02 RAC (E) so that vehicles reported stolen by Hertz are identified in Hertz's rental systems as "reported stolen," to ensure that "stolen" vehicles are not rented to customers.
- Hertz will stop reporting vehicles stolen which were already returned by the customer, and will withdraw prosecutions where the company discovers the vehicle was returned by the customer.
- Hertz will stop reporting "lost inventory" as "stolen" unless there is first-hand knowledge that the vehicle was actually stolen or there are other indicia of criminal activity.
- Hertz will implement and mandate monthly reviews of all ongoing prosecutions to determine if material facts were omitted from a theft report or police report to determine whether the prosecution needs supplemental data (e.g. payment data, rental extensions, or vehicle returns); and determine whether the police report needs to be corrected, supplemented, or withdrawn completely.
- Hertz will ascertain whether a customer being reported is on probation/parole, and will double check all such theft reports given that reports against those customers will result in them being jailed without the ability to bail or bond-out.
- Hertz will compensate each client for bail, attorneys' fees, expungement, and other expenses.

\*\*\*\*\*

**From:** Francis Alexander Malofiy

**Sent:** Thursday, February 13, 2020 5:04 PM

**To:** Jay Edelstein <[JEdelstein@edelsteinlaw.com](mailto:JEdelstein@edelsteinlaw.com)>; Clark Dubin <[cdubin@hertz.com](mailto:cdubin@hertz.com)>; Christopher P. Morales <[CMorales@hertz.com](mailto:CMorales@hertz.com)>; [rmcevely@hertz.com](mailto:rmcevely@hertz.com); [kvmarinello@hertz.com](mailto:kvmarinello@hertz.com); [dave.galainena@hertz.com](mailto:dave.galainena@hertz.com)

**Cc:** Francis Alexander Malofiy <[francis@francisalexander.com](mailto:francis@francisalexander.com)>; AJ Fluehr <[aj@francisalexander.com](mailto:aj@francisalexander.com)>

**Subject:** RE: \*\*\* HERTZ DEMAND LETTER - VICTIMS (No. 1 - 23) \*\*\*

Dear Jay,

This is not going to work. Why would I give you 30 days to address 23 client demands, when you could not even address a single one over the last six months? I even gave you Hertz's own rental data exonerating Shontrell Higgs while she rotted in prison, and **Hertz did absolutely nothing with it!**

People are being thrown in jail and arrested at gun point. This is happening as we speak. Hertz needs to act immediately. For Hertz, this needs to be an all hands on deck, crisis management moment. I guarantee that if you continue to ignore 23 client demands, then the fall out is going to be far worse than anything they can imagine.

I suggest you read my demand letter again **and watch the video**.

I sent you 9 client demands **half a year ago**. Since then you and your client have shockingly done **nothing!**

- Hertz has never put a number on a single case,
- Hertz has never entered into any tolling agreement
- Hertz has never recanted a single false police report—while my clients remanded in jail and were prosecuted, and more people have been arrested.

In stark contrast, Hertz is quick to pull the trigger when throwing someone in jail. The company does not even stop to verify if the information they're giving to the police is remotely correct.

Regrettably, I do not think that you have the capability to properly address the magnitude of this scandal; nor do I think that your client is aware of the legal, financial, and other jeopardies they are facing. You and your client are walking off of a cliff, while ignoring the lifeline I have already extended them.

We reject any extension of 30 days. I reiterate that we need a formal written response by Hertz and Ms. Marinello by Tuesday, February 18, 2020 on how they desire to address the issues and proceed. Further, we require a meeting with Hertz's corporate officers by Monday, February 24, 2020. If this is not possible, then you have been so warned.

To the extent that there is any flexibility in the above timeline, Hertz can make a showing of sincerity and willingness to cooperate by setting aside \$10 million in a trust account for the purpose of resolving these claims. Absent this small token, there is little left to discuss. However, this would be a start.

Without these assurances and signs of good faith, then I will proceed with my plans.

Jay, let's be clear, the difference between me and the rest of the world, is that when I say I'm going to do something: I do it. And, when I give you my word, it means something. The same can't be said for Hertz and because of this your words and Hertz words have little meaning to me. I demand action; not words.

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With every good wish, I am,

Francis Malofiy, Esquire  
Francis Alexander, LLC  
280 N. Providence Road | Suite 1  
Media, PA 19063  
T: (215) 500-1000  
F: (215) 500-1005  
E: [francis@francisalexander.com](mailto:francis@francisalexander.com)

**From:** Jay Edelstein [<mailto:JEdelstein@edelsteinlaw.com>]  
**Sent:** Thursday, February 13, 2020 12:36 PM  
**To:** Francis Alexander Malofiy <[francis@francisalexander.com](mailto:francis@francisalexander.com)>  
**Subject:** Hertz Demand Letter

Francis,

Good afternoon.. I am acknowledging your recent demand letter adding an additional 11 claims to your list. I have spoken to my client in some detail and rest assured they are doing their due diligence to quickly obtain pertinent information on each claim so that they may evaluate....I'm of the opinion that this should take approximately thirty (30) days at which time I will reach out to you again to discuss.. I am available you 24/7 to discuss these matters and look forward to a follow up meeting....If you have any questions please advise...

**From:** Francis Alexander Malofiy  
**Sent:** Thursday, February 13, 2020 3:41 AM  
**To:** Jay Edelstein <[JEdelstein@edelsteinlaw.com](mailto:JEdelstein@edelsteinlaw.com)>; Clark Dubin <[cdubin@hertz.com](mailto:cdubin@hertz.com)>; Christopher P. Morales <[CMorales@hertz.com](mailto:CMorales@hertz.com)>; [rmcevily@hertz.com](mailto:rmcevily@hertz.com); [kvmarinello@hertz.com](mailto:kvmarinello@hertz.com); [dave.galainena@hertz.com](mailto:dave.galainena@hertz.com)  
**Cc:** Francis Alexander Malofiy <[francis@francisalexander.com](mailto:francis@francisalexander.com)>; AJ Fluehr <[aj@francisalexander.com](mailto:aj@francisalexander.com)>  
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My clients are tired of having their polite entreaties fall on deaf ears. **They are making one last plea, on video, for someone within Hertz to do the right thing:** <https://bit.ly/37mvaZ1>. A draft complaint for Nicole Stevens is enclosed (<https://bit.ly/2Hk9eTP>) and will be filed before the end of the month.

If you think you can continue to ignore this problem, you have made a grave miscalculation. No jury will turn a blind-eye to a corporation which decided that cutting costs to increase profits was acceptable—when it is being done with reckless indifference to the human lives Hertz is harming. A company worth \$2.5 billion that generates \$10 billion in revenue cannot afford serial punitive damages verdicts against its reputation and goodwill.

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With every good wish, I am,

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**From:** Jay Edelstein [<mailto:JEdelstein@edelsteinlaw.com>]

**Sent:** Thursday, December 05, 2019 3:10 PM

**To:** Clark Dubin <[cdubin@hertz.com](mailto:cdubin@hertz.com)>; Francis Alexander Malofiy <[francis@francisalexander.com](mailto:francis@francisalexander.com)>;

Christopher P. Morales <[CMorales@hertz.com](mailto:CMorales@hertz.com)>; [rmcevily@hertz.com](mailto:rmcevily@hertz.com)

**Subject:** Fwd: HERTZ - RE: Brent Williams v. Hertz our file 840.040

FYI. Great meeting you and thanks for the loyalty. It's a pleasure doing Hertz work and has been for some time. Happy Holidays.

Sent from my iPhone

Begin forwarded message:

**From:** Francis Alexander Malofiy <[francis@francisalexander.com](mailto:francis@francisalexander.com)>

**Date:** December 5, 2019 at 3:07:57 PM EST

**To:** Jay Edelstein <[JEdelstein@edelsteinlaw.com](mailto:JEdelstein@edelsteinlaw.com)>

**Cc:** Francis Alexander Malofiy <[francis@francisalexander.com](mailto:francis@francisalexander.com)>

**Subject:** HERTZ - RE: Brent Williams v. Hertz our file 840.040

Dear Jay,

If you're at Hertz today, do me the favor and give me a call.

I've done everything in my power to attempt to negotiate these cases in good faith but it's time to have real discussions.

My clients have decided that they would rather file their cases and share the horrors of their stories with the press.

I cannot hold my clients off any longer nor do I think Hertz is treating this seriously because: 1) there have been no real settlement negotiations and no numbers have been discussed; 2) no tolling agreements have been entered into.

As a result, and as I shared with you, and as you understood, it would be necessary for me to file complaints in those actions absent tolling agreements—and this is exactly what I had to do.

The longer Hertz delays, the louder the cacophony of disaster will sound.

I am leaving on Tuesday, December 10, 2019 and will spend roughly two weeks on the road, meeting my Hertz clients who want to share their stories with the press to keep this from happening to more customers. Some of my clients are sitting in jail. I can assure you—as I have in the past—that no one is fluffing.

If Hertz wants to continue treating this a low level concern; perhaps they will feel more comforted battling me and my clients not only in the court of law but also in the press. As you and Hertz are well aware, there have been serious failures in corporate responsibility within the corporation—at the highest levels including the CEO and corporate board. A company which fails to follow their own standard operating procedures, refuses to fix broken computer systems, cuts out corporate security managers because they cost too much, and routinely throws good paying customers in jail—because of corporate greed and lack of corporate responsibility—is the exact reason why other corporations have imploded in recent years.

Hertz knows of its failures and refuses to fix or address them; as a result they are throwing good people in jail—this is the epitome of a corporate culture which shows a reckless indifference to the rights of others. Hertz will lose both the legal cases and in the court of public opinion, leading to another avalanche of clients hiring me to seek redress of their harms.

Perhaps there can be an amicable resolution to this before bad situation turns into ugly. I demand a sit down with the top corporate officers of Hertz to discuss the issues, present my cases, with the intent and purpose to resolve the ongoing problems and negotiate in good faith to resolve my clients' tragedies.

This meeting needs to occur before the end of the year.



Please share this communication with your client.

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With every good wish, I am,

Francis Malofiy, Esquire  
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